STAND. COM. REP. NO. 2286

Honolulu, Hawaii

FEB 1 2 2014

RE: S.B. No. 2551

S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

## Madam:

Your Committee on Higher Education, to which was referred S.B. No. 2551 entitled:

"A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII,"

begs leave to report as follows:

The purpose and intent of this measure is to repeal the University of Hawaii tuition and fees special fund on July 1, 2014, and transfer the remaining unencumbered balance into the general fund.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the University of Hawai'i System, Associated Students of the University of Hawai'i at Manoa, and fifteen individuals. Your Committee received comments on this measure from the Department of Budget and Finance and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the University of Hawaii currently uses monies in the tuition and fees special fund for capital improvement projects that do not generate revenue. Your Committee finds that this is an inappropriate use of these funds and that this measure reflects your Committee's intent to restrict the use of these funds for this purpose.

Your Committee has amended this measure by:



- (1) Delaying the repeal of the University of Hawaii tuition and fees special fund and the transfer of the remaining unencumbered balance into the general fund until July 1, 2017, and June 30, 2017, respectively;
- (2) Inserting language that takes effect on July 1, 2014, to prohibit the University of Hawaii from using monies in the tuition and fees special fund for purposes related to university projects, university systems, or networks or any combination thereof, constructed or maintained through revenue bonds issued by the University of Hawaii; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2551, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2551, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Higher Education,

BRIAN T. TANIGUCHI,

## The Senate Twenty-Seventh Legislature State of Hawai'i

## Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:* Committee Referral: Date:				
SB 2551 HRE, WAM 2.4-10				
The committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	V			
KAHELE, Gilbert (VC)	V_		-	
KEITH-AGARAN, Gilbert S.C.				
IGE, David Y.				
KIDANI, Michelle N.		V		
TOKUDA, Jill N.				~
SLOM, Sam				
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TOTAL	7_	2		3
Recommendation:				
Adopted Not Adopted				
Chair's or Designee's Signature:    Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

\*Only one measure per Record of Votes